

**APPLICATION MANUAL  
FOR THE  
GEOTHERMAL RESOURCES DEVELOPMENT ACCOUNT (GRDA)  
PROGRAM SOLICITATION**

**PON-10-501**



State of California  
California Energy Commission  
January 5, 2011

Comments and suggestions for improving this Application Manual for the Geothermal Program Solicitation are welcomed. Direct questions or comments about the materials, write or call:

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## ***A. Solicitation Overview***

The California Energy Commission (Energy Commission) is opening a new funding opportunity through its Geothermal Resources Development Account (GRDA) Program. The overall purpose of this Geothermal Solicitation is to promote the development of geothermal resources and technologies.

**Funding:** Up to \$6.8 million total is available to fund GRDA grants and loans. There are no minimum or maximum funding levels. Match share contributions are required.

**Eligibility:** Private entities and local jurisdictions may apply. Eligible private entities include individuals and organizations engaged in the exploration and development of geothermal energy for profit. Three distinct project categories will be funded: Resource Development Projects, Planning Projects, and Mitigation Projects. Most aspects of geothermal research, resource development, demonstration, commercialization, planning, environmental enhancement, and impact mitigation are eligible for funding. Project durations cannot exceed 36 months from date of funding. Projects must be located in California or be sponsored by California-based companies.

**Selection of Projects:** This is a competitive solicitation and projects will be funded based on their overall average total score within each of the three project categories.

**Application Deadlines:** Applicants are required to submit both a Pre-Application and Final Application to be eligible for funding. The Application due dates are:

Pre-Application:	February 24, 2011, 4:00 p.m.
Final Application:	April 6, 2011, 4:00 p.m.

**Availability of Solicitation Documents:** Electronic copies of documents and forms related to this solicitation can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts).

## ***B. Purpose of Program and Solicitation Background***

The California Legislature established the Geothermal Program in 1980 under Public Resources Code section 3800 et seq. It created the GRDA as the source of funding to promote the development of new or existing geothermal resources and technologies. The funds for this account come from revenues paid to the United States government by geothermal developers for leases on federal land in California. Eligible private entities and local jurisdictions can qualify for assistance in geothermal research, development, demonstration, commercialization, planning, mitigation, and environmental enhancement projects. Detailed information about the Geothermal Program can be found on the Energy Commission website at [www.energy.ca.gov/geothermal/index.html](http://www.energy.ca.gov/geothermal/index.html).

In order to assure that geothermal energy adequately contributes to meeting California's ambitious Renewable Portfolio Standard (RPS) goals, certain research and technology challenges

must be addressed quickly. For that reason, focus areas have been identified to encourage research proposals within those areas.

### ***C. Project Categories***

GRDA projects fall under three categories: Resource Development Projects, Planning Projects, and Mitigation Projects. The Scoring Criteria differ for each category.

“Resource Development Project” means an activity or research that assesses, develops, and/or converts a geothermal resource for direct use or electrical generation. Examples of resource development projects include:

- Demonstrations or commercialization of geothermal technologies
- Resource assessment
- Evaluation, drilling, and testing of exploration, production, and injection wells
- Electricity production
- Development of direct-use projects including space heating/domestic water supply, aquaculture, industrial process heat, etc.

“Planning Project” means an activity that regulates and/or guides the development and use of geothermal resources. An example of a planning project is the collection and analysis of environmental data (excluding data collection for permitting or regulatory compliance).

“Mitigation Project” means an activity that identifies the adverse environmental or public service impacts of geothermal energy development, and/or implements measures to reduce or eliminate those impacts. Examples of mitigation projects include:

- Identification and control of adverse impacts to water, air, wildlife, vegetation, viewshed, ground surface levels, and ambient noise levels
- Environmental enhancement
- Identification of social and economic impacts of geothermal development

### ***D. Overriding Issues***

This solicitation will provide preferential scoring for topics that are of particular interest to accelerate the development of geothermal resources. Applications that address these specific overriding issues will be considered for points under “Overriding Issues” (See Appendix A). The overriding issues are:

- Reducing the costs of resource development. Examples of potentially useful technologies may include, but are not limited to, the following:
  - a. Design and cost-effective implementation of “smart” tools that sense and respond to conditions during drilling and reservoir development.

- b. Develop or demonstrate geological, geophysical, or geochemical methods, or innovative remote sensing approaches for identifying and mapping hidden resources or characterizing known resources.
  - c. Develop and test strategies for improving the long-term performance of geothermal systems (e.g., stabilization of system pressure).
  - d. Investigate the extraction of fluids at higher energy densities (up to and including supercritical).
  - e. Use unproductive portions (low-permeability or fluid-depleted zones) of operating hydrothermal reservoirs as test beds for enhanced geothermal systems.
  - f. Improve the efficiency and reduce the cost of resource exploration and assessment, permeability detection, mapping and well siting, resource drilling, and well completion.
  - g. Develop multidisciplinary approaches for improved, rigorous, reliable projections of reservoir evolution and implementable management options (e.g., remotely evaluating changes in reservoir conditions and properties, and developing projections of time-dependent reservoir performance based on those changes and options for dealing with them; hardware for easier modification of piping architecture, etc.).
- Approaches for reducing the costs and increasing the efficiency of energy extraction and utilization. Examples of possible approaches to this problem may include, but are not limited to, the following:
- a. Develop a subsurface heat exchanger of multilateral wells that control heat or fluid flow and minimize geofluid loss.
  - b. Develop or demonstrate energy systems that use low or high temperature geothermal in combination with other energy or heat sources (e.g., combined solar-geothermal, oil and/or gas geothermal fluids, other hybrid combined systems).
  - c. Reduce operation and maintenance costs of wells (i.e., production and injection) and power plants.
  - d. Demonstrate and lower the cost of extracting energy from resources of progressively lower permeability and fluid content, or from lower temperature resources.
  - h. Develop technologies to reduce the corrosiveness of geothermal fluids and clean-up geothermal oil and gas brines for the purpose of power generation.

- i. Develop application of materials that would reduce the costs of energy production in thermally and chemically aggressive environments.
  - e. Deploy new project(s) that add-on to existing geothermal facilities, increasing the capacity including hybrid configuration of water-cooled and air-cooled cooling towers.
  - f. Implement projects that take advantage of waste heat from new or existing facilities for additional electricity generation or direct use applications. These projects may include geothermal power co-production from oil and gas fields.
- Approaches for improving environmental compatibility may include, but are not limited to, the following:
- a. New approaches for removal and disposal of H<sub>2</sub>S and/or non-condensable gases.
  - b. Expansion of resource extraction technologies to include Li, Mn, Cu and other economically valuable resources.
  - c. New approaches for characterizing, predicting, or minimizing seismicity resulting from EGS or conventional geothermal development.

## ***E. Administrative Requirements***

### **E.1 Application Process**

GRDA utilizes a two-step process in selecting projects for funding. Applicants are required to submit both a Pre-Application and a Final Application. Only those Applicants who meet the eligibility criteria and who have submitted a Pre-Application by the stated deadline may submit a Final Application. The Pre-Application provides Energy Commission staff an opportunity to determine the suitability of the proposed project for GRDA purposes, and provides Applicants with comments for improving the Application. The Final Application is the formal submittal to the Energy Commission. It is expected that comments on the Pre-Application made by Energy Commission staff for improving the Pre-Application will be addressed in the Final Application. See Sections F.1, F.2 and F.3 for descriptions of the required contents for the Pre- and Final Applications.

### **E.2 Schedule**

The schedule of Application, award, and project start dates is shown in Table 1.

**TABLE 1: SCHEDULE OF SOLICITATION MILESTONES**

Release of Program Opportunity Notice (PON)	January 5, 2011
Geothermal Program Opportunity Notice Solicitation Workshop: Hearing Room B California Energy Commission 1516 Ninth Street, Sacramento, CA 95814 and Brawley Inn Hotel and Conference Center 575 West Main Street, Brawley , CA 92227	January 18, 2011 8:30 a.m. to 11:00 a.m.  January 24, 2011 3:00 p.m. to 5:00 p.m.
Deadline to Submit Questions	January 24, 2011 by 4:00 p.m.
Post Question and Answers from Pre-Application Conferences (See Energy Commission's Web Site)	January 31, 2011
Deadline to Submit Pre-Applications	February 22, 2011 4:00 p.m.
Review Pre-Applications	February 22 – March 7, 2011
Written Comments on Pre-Applications Mailed to Applicants	Estimated March 7, 2011
Deadline to Submit Final Applications	April 21, 2011 4:00 p.m.
Score Final Applications and, if necessary, Interview Applicants	April 21 – May 19, 2011
Post Notice of Proposed Awards (NOPA)	Estimated May 19, 2011
Energy Commission Business Meeting for Approval of Awards	Estimated June 29, 2011

**E.3 Application Submission Requirements**

For both the Pre-Application and Final Application, applicants must submit the original and 3 hard copies by the date and time listed in Table 1. Applicants must also submit electronic files of the complete Pre-Application and Final Application on three CDs with clearly labeled contents. Electronic files must be in Microsoft Word and Excel formats (compatible with 2003 versions or later). The Pre-Application and Final Application should be mailed or delivered to:

David Nichols  
Grants and Loan Office MS-1  
Geothermal Program Solicitation  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814



All Applications (Pre-Applications and Final Applications) must be received by the Energy Commission's Grants and Loans Office on or before the specified due date and time. Postmark dates of mailing, electronic mail (E-mail), and facsimile (Fax) transmissions are not acceptable in whole or in part under any circumstances. The Energy Commission will reject all proposals not received by the Energy Commission's Grants and Loans Office by the stated due date and time. In fairness to all applicants, unexpected delays caused by traffic during delivery will not be accepted. There will be no exceptions.

#### **E.4 Funding Availability**

Up to \$6.8 million total is available for eligible projects. This amount is based on estimates of revenues received for geothermal leases for the 2008 and 2009 time period. GRDA funding of projects is contingent upon the Energy Commission receiving the projected GRDA revenues and the authority to expend those revenues for fiscal years (July 1 – June 30) 2010 and 2011.

The Energy Commission is required to allocate at least 25 percent of GRDA available funds to projects in each of the three project categories: 1) Resource Development, 2) Planning, and 3) Mitigation. The remaining funds will be allocated to any of the three categories at the sole discretion of the Energy Commission.

#### **E.5 Eligible Applicants**

Private entities and local jurisdictions may apply. The eligible private entity or local jurisdiction must be the Applicant.

Eligible private entities include individuals and organizations engaged in the exploration and development of geothermal energy for profit. Grants made to a private entity pursuant to Section 3822 (g), of the Public Resources Code, shall (1) be matched with at least an equal investment by the Recipient, (2) provide tangible benefits, as determined by the Energy Commission, to a local jurisdiction, and (3) be approved by the city, county, or Indian reservation within which the project is to be located.

Local jurisdictions include cities, counties, any unit of Indian government, school districts and special districts including, but not limited to, regional planning agencies and public utility districts, or any combination thereof formed for the joint exercise of any power. "Public utility districts" do not include any district that generates for sale more than 50 megawatts gross of electricity.

Other entities, such as universities, national laboratories, state and federal agencies, and not-for-profit organizations, may participate in this program only in partnership with an eligible local jurisdiction or eligible private for-profit entity.

California business entities as well as non-California business entities conducting intrastate business in California are required to register and be in good standing with the California Secretary of State to enter into an Agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the

Secretary of State's Office as soon as possible to avoid potential delays. For more information, contact the Secretary of State via their website at [www.ss.ca.gov](http://www.ss.ca.gov).

## **E.6 Eligible Projects**

To qualify for consideration, projects must directly relate to geothermal development, geothermal planning, or the mitigation of the adverse impacts of the development of geothermal energy. Projects must be located in California or be sponsored by California-based companies. The Energy Commission will not fund advertising, marketing or business plans; drilling bonds, or mitigation measures required for a permit. This program may co-fund project capital costs when justified by the Applicant as necessary to advance needed geothermal science or technology.

## **E.7 Minimum/Maximum Funding Levels**

There are no minimum or maximum funding levels.

## **E.8 Project Duration**

Projects with durations of up to three years will be considered.

## **E.9 Match Share Requirements**

A match contribution is required to participate in this Geothermal Solicitation and match funding is evaluated and scored as one of the evaluation criteria. Applicants are required to include in the budget at least the required minimum match share contribution (50 percent for private-for-profits, and 20 percent for most local jurisdictions. See the last paragraph of this section for more details).

A match contribution is cash, equipment, and/or in-kind services provided by the Applicant or other sources secured by the Applicant toward completion of the awarded project. Staff time, laboratory space, equipment, and certain other grants, loans, or contracts can count toward the match contribution.

Staff time, laboratory space, equipment, and most property can count as match funds if the following criteria are met:

- a. Space, equipment, or property must be dedicated to the project for the time, the space, property, or equipment is required by the Agreement.
- b. The value of the contribution for equipment or property will be either (a) the depreciation reflected on Applicant's books of accounts and financial statements for the term of the project, using generally accepted accounting practices, or (b) if the equipment is fully depreciated, a reasonable charge for the use of the equipment, based on cost, estimated useful life, and the amount of depreciation previously charged to government contracts or

subcontracts. For fully depreciated equipment, the Energy Commission reserves the right to adjust the claimed value.

- c. If a piece of equipment is not solely dedicated to the project, the prorated value of the equipment by percentage of use for the project will count toward the match contribution.
- d. Values claimed as direct costs must be excluded from any cost pools used to calculate indirect cost rates.

Property and equipment that do not qualify as match funds include such items as standard office supplies and property or equipment that is part of the Applicant's normal business activity (desks, typewriters, telephones, computers, software, etc.).

All match fund expenditures must occur within the approved term of the Agreement. In all cases, the Energy Commission reserves the right to review and approve or disapprove the crediting of contributions and the amounts of those contributions as match funding.

Prior investments in the project do not qualify as match funds. Funding from other Energy Commission projects, grants, or contracts does not qualify as match funding. The sources and amounts of match funding must be identified in the Applicant's budget.

Proposed match funding must be spent concurrently with GRDA Program funds and only on the project elements described in the funding Agreement. Match funds can be spent once the Energy Commission has approved an awarded grant at a scheduled Business Meeting. However, GRDA funds cannot be spent until the funding agreement is fully executed by the Energy Commission and the Recipient.

Private For-Profit Entities must provide a match contribution of at least 50 percent of the overall project cost.

Local Jurisdictions must provide a match contribution of at least 20 percent of the overall project cost. Local jurisdictions located in a county that has received "County-of-Origin" funds from the state's Geothermal Resources Development Account in excess of \$50,000 in each of the previous three years must provide a match contribution of at least 50 percent of the total project cost.

#### **E.10 Multiple Projects/Multiple Applications**

Multiple projects cannot be proposed in a single Application. However, Applicants may submit more than one Application, but each Application must be submitted as an independent complete Application.

#### **E.11 Selection/Scoring of Applications**

Applications will be scored by a Technical Advisory Committee based on the criteria in APPENDIX A. Not all Applicants who obtain a passing score will necessarily be funded. Projects will be ranked within each category in order from the highest to the lowest score.

Projects shall be funded beginning with rank 1. Award amounts are limited by the Applicant's match share and by the availability of GRDA funds after higher-ranking projects have been funded. The Energy Commission reserves the right to determine the number of projects to be funded under each project category.

### **E. 12 Confidential Information**

Do not submit confidential information as part of the Application. Applications containing such information will be returned without consideration.

Applicants may propose to submit confidential information during the course of the project, if funded. If necessary, instructions on providing confidential information will be provided by the Energy Commission prior to executing the Agreement.

### **E.13 Prevailing Wage**

Some projects under this solicitation might be considered public works pursuant to the California Labor Code. If the project is a public work, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular project is or is not a public work. If the proposed project involves construction, alteration, demolition, installation, repair or maintenance work, it probably would be considered by DIR to be a public work. A few of the activities that would probably lead DIR to find that the project involves public works include: cement work; site preparation such as grading; surveying; electrical work such as wiring; and carpentry work. Certain workers are entitled to prevailing wage, such as operating engineers, surveyors, carpenters, laborers, etc. However, other trades are not entitled to prevailing wage, such as engineers and project superintendents.

Applicants are encouraged to determine if the proposed project involves public works as soon as possible. In order to determine if the proposed project involves public works, the Applicant will need to contact DIR. If the Applicant is unsure whether the proposed project involves public works and have not received a determination from DIR that the project is not a public work, the project budget must provide for the payment of prevailing wages.

If the proposed project is a public work, DIR maintains a list of covered trades and the applicable prevailing wage. The grant agreement will include the requirements for a public works project, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the Special Condition regarding Prevailing Wage (Appendix B), which discusses in more detail situations for which prevailing wages must be paid. If a funded project involves public works, specific terms and conditions will apply and all payment requests will require certification that prevailing wages have been paid. Common questions about prevailing wage are addressed in Appendix C.

Further information regarding prevailing wage issues can be found at the DIR website, [http://www.dir.ca.gov/DLSR/statistics\\_research.html#PWD](http://www.dir.ca.gov/DLSR/statistics_research.html#PWD).

Please indicate in the Application and Project Information Form (Exhibit F) whether the proposed budget includes prevailing wage.

## **E.14 California Environmental Quality Act (CEQA)**

The California Environmental Quality Act (CEQA) was enacted in 1970 for land-use development and management decisions in California. Proposals selected for funding may meet the definition of “project” for purposes of CEQA review. (See Public Resources Code section 21000, et seq.) It is important to determine at an early stage of the planning for the proposed project whether or not this is the case. If subject to CEQA, and no exemptions apply, a CEQA Environmental review, which may involve an Environmental Impact Report (EIR), will be required prior to the Energy Commission approving the project. Because such a review can involve many agencies and may require a significant amount of information and documentation, several months may be required to fulfill CEQA requirements. Applicant will have to pay the costs for these activities. Detailed information regarding CEQA can be found at [http://ceres.ca.gov/topic/env\\_law/ceqa/guidelines/](http://ceres.ca.gov/topic/env_law/ceqa/guidelines/).

Proposals should indicate whether or not the proposed project is subject to CEQA stipulations. If CEQA does not apply, explain why and cite relevant sections from the CEQA statute or certification. If CEQA does apply, please provide a description of the stage the proposed project has reached in meeting CEQA compliance, and provide documentation of any permits and conditions or correspondence that have been issued and which have applied for. Since the Energy Commission is a state agency with responsibilities under CEQA, review of GRDA Applications will include consideration of the extent to which compliance with CEQA requirements has been met and the impact it may have on the success of the project.

Within 30 calendar days after the Final Application due date, Applicants must provide written documentation from the local or lead jurisdiction indicating the stage of their CEQA review.

The Office of Permit Assistance within the Trade and Commerce Agency has been established to help project Applicants, localities and the public understand CEQA and the permitting process. All state or local permits required for any project can be identified, and the process for obtaining those permits can be provided. The Office of Permit Assistance can convene all state agencies at one time to identify and explain which permits are required for a project. The Office of Permit Assistance can be contacted at:

The Office of Permit Assistance  
1130 K Street, Suite 101  
Sacramento, CA 95814  
Telephone: (877) 345-4633; Fax: (916) 322-0693

## **E.14 Permits**

A variety of other permits may be required before a project can proceed. Many of these permits can require an extensive review and approval process. Before submitting a proposal, determine what permits will be required and build into the schedule of activities the permitting time line.

## **E.15 Terms and Conditions**

Applicants who are selected to receive a grant must accept the GRDA Terms and Conditions that are posted as part of this solicitation at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts). Applicants are encouraged to review the anticipated terms and conditions that will be part of all grant awards. The Energy Commission reserves the right to modify these terms and conditions at any time prior to executing the final funding agreements.

## **E.16 Funding Use Requirements**

Once a Final Application is selected for funding, the amount of funding sought from the Energy Commission cannot be changed and the match share cannot be decreased, regardless of changes in conditions or circumstance affecting the project.

Expenditure of match share funds, however, can only begin after the Energy Commission Business Meeting in which the awards are approved. Recipients should be aware that expenditure of match share prior to the execution of all funding agreement documents is at the Recipient's sole risk. The Energy Commission assumes no liability for any project expenditures if a funding agreement cannot be executed between the Energy Commission and the Recipient for any reason.

## **E.17 Workshops**

A workshop will be offered to discuss the Application process and to answer questions Applicants may have. Please call John Hingtgen at (916) 651-9106 or refer to the Energy Commission's website at [www.energy.ca.gov](http://www.energy.ca.gov) to confirm the date and time. The anticipated date, time and place for this workshop are:

January 18, 2011  
8:30 a.m. to 11:00 a.m.  
California Energy Commission  
Hearing Room B, First Floor  
1516 Ninth Street  
Sacramento, California 95814

and

Brawley Inn Hotel and Conference Center  
575 West Main Street  
Brawley, California  
January 24, 2011  
3:00 to 5:00 pm

## **Participation through WebEx**

### **With a Direct Phone Number**

1. Please go to <https://energy.webex.com> and enter the unique meeting number: **921 292 682**
2. When prompted, enter your information and the following meeting password: [meeting@830](mailto:meeting@830)
3. After you login, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

### **With an Extension Phone Number**

1. Please go to <https://energy.webex.com> and enter the unique meeting number: **921 292 682**
2. When prompted, enter your information and the following meeting password: [meeting@830](mailto:meeting@830)
3. After you login, a prompt will ask for your phone number. CLICK CANCEL.
4. Instead call 1-866-469-3239 (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is listed in the top left area of your screen after you login. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

### **Telephone Only (No Computer Access)**

1. Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from <https://energy.webex.com/energy/globalcallin.php>

### **Technical Support**

For help with problems or questions trying to join or attend the meeting, please call WebEx Technical Support at 1-866-229-3239. System Requirements: To see if your computer is compatible, visit <http://support.webex.com/support/system-requirements.html> and refer to the "WBS 26 System Requirements" section at the bottom

**\*\*Please be aware that the workshop's WebEx audio and onscreen activity may be recorded.**

## **E.18 Questions Regarding the Solicitation**

During the solicitation process, questions of clarification about this solicitation must be directed to the Grants and Loans Officer listed. Questions may be submitted in writing via mail, electronic mail, verbally and by phone. Question and answer sets will be sent to all parties who requested a copy of this solicitation from the Commission Grants and Loans Office. The questions and answers will also be posted on the Commission's website at: <http://www.energy.ca.gov/contracts>. Any verbal communication with a Commission employee concerning this solicitation is not binding on the State and shall in no way alter a specification, term, or condition of the solicitation. Administrative questions regarding this solicitation should be directed to:

David Nichols  
Grants and Loans Officer  
Geothermal Program Solicitation  
California Energy Commission  
1516 Ninth Street

Sacramento, California 95814  
Telephone: (916) 654-5125  
E-mail: [dnichols@energy.state.ca.us](mailto:dnichols@energy.state.ca.us)

The deadline to submit questions is January 24, 2011 no later than 4:00 p.m. All questions and answers will be posted on the Energy Commission's website at [www.energy.ca.gov/research](http://www.energy.ca.gov/research) on or before January 31, 2011.

Any technical questions regarding geothermal technologies should be directed to:

Pablo Gutierrez S.  
Geothermal Program Lead  
California Energy Commission  
1516 Ninth Street  
Sacramento, California 95814  
Telephone: (916) 654-4663  
E-mail: [pgutierr@energy.state.ca.us](mailto:pgutierr@energy.state.ca.us)

Or

Gail Wiggett  
Telephone: (916) 653-7551  
[gwiggett@energy.state.ca.us](mailto:gwiggett@energy.state.ca.us)

#### **E.19 Requests for Debriefings on Unsuccessful Applications**

Applicants of projects that are not funded will be notified of their rank and will be given an opportunity to discuss the project evaluation. After the Notice of Proposed Awards (NOPA) is posted on the Energy Commission website, each unsuccessful Applicant may request a debriefing meeting with the Energy Commission. A written request must be submitted to the Energy Commission Grants and Loans Office within 30 days of the NOPA posting on the Energy Commission website. The debriefing meeting is an opportunity for unsuccessful Applicants to learn why their particular Application was not successful and may provide insight to improving Applications for future GRDA solicitations.

#### **E.20 Amendments to this Solicitation**

The Energy Commission reserves the right to do any of the following:

- Cancel this Geothermal Solicitation;
- Amend or revise this Geothermal Solicitation as needed; or
- Reject any or all Applications received in response to this Geothermal Solicitation.



Amendments to this Solicitation will be posted in a timely manner on the Energy Commission's website: [www.energy.ca.gov/research](http://www.energy.ca.gov/research). It is the responsibility of Applicants to remain current regarding information pertaining to this Solicitation.

If Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in this Geothermal Solicitation, the Applicant should immediately notify the Energy Commission Grants and Loans Office of such error in writing and request modification or clarification of the document. Clarifications will be given by written notice to all parties who have obtained a Geothermal Solicitation without divulging the source of the request for clarification. The Energy Commission shall not be responsible for failure to correct errors.

### **E.21 Funding Agreement Process**

A Notice of Proposed Awards (NOPA) will be posted on the Energy Commission's website. Once the NOPA has been posted, the selected proposals will be submitted for approval to the Energy Commission at a regularly scheduled Business Meeting. If approved by the Commission, funding agreement documents will be prepared and sent to successful Applicants for their signatures. If, for any reason, a successful Applicant does not respond by signing the funding agreement documents within a reasonable time (30 days after mailing), the Energy Commission may eliminate that project from its award list and select the next highest ranked project for funding.

### **E.22 Grounds for Rejection**

#### **Applications will be rejected if:**

- The Pre-Application and/or Final Application are not received by the stated due date and time
- The project term exceeds three years.
- Confidential material is submitted. Any application in which any portion is marked confidential, secret, or protected in any way will be returned unread to the applicant.

### **E.23 Energy Commission Policies**

Applicants should address key problems facing the geothermal industry and/or is applicable to relevant State of California legislation, regulations and Energy Commission policies.

#### **A. Optimize Energy Conservation and Resource Efficiency**

California should decrease its per capita electricity use through increased energy conservation and efficiency measures. This would minimize the need for new generation, reduce emissions of toxic and criteria pollutants and greenhouse gases, avoid environmental concerns, improve energy reliability and contribute to price stability. This includes increasing local government conservation and energy efficiency programs.

#### **B. Accelerate the State's Goal for Renewable Generation and Energy Commission Policies**

In 2002, the Governor signed the Renewable Portfolio Standard (RPS), SB 1078. Proposals will also be evaluated according to the degree to which the project addresses key problems relevant goals and objectives stated in the Energy Commission Energy Action Plan (available on the Energy Commission website at [www.energy.ca.gov](http://www.energy.ca.gov)). This includes the following:

1. Adding new renewable generation sources annually to the investor-owned utility resource portfolio.
2. Initiating the development of RPS compliance rules for energy service providers and community choice aggregators.
3. Coordinating implementation with all relevant state agencies and with municipal utilities to facilitate their achievement of the standard.

#### C. Ensure Reliable, Affordable Electricity Generation

The state needs to ensure that its electrical generation system, including reserves, is sufficient to meet all current and future needs, and that this reliable and high quality electricity comes without over-reliance on a single fuel source and at reasonable prices. This includes the following:

1. Adding new generation resources to meet anticipated demand growth, modernize old, inefficient and dirty plants and achieve and maintain reserve levels.
2. Financing a few critical power plants that the agencies conclude are necessary and would not otherwise be built, provide local reliability, help achieve adequate reserves, and reduce congestion and the need for new transmission lines.

### ***F. Application Requirements***

Before developing a written proposal, Applicants should first determine the appropriate category for the project (Section D), Prevailing Wage (Section E-13), CEQA (Section E-14) or other permitting (Section E-15) regulations apply. In addition, carefully consider the Administrative and Technical structure of the project, taking into account GRDA requirements for administration and reporting (see Appendix D). Keeping the structure simple and the number of tasks to a minimum will make project management and reporting easier.

#### **F.1 Application Guidelines:**

- **Maximum number of pages:** While there is no page limit for the application as a whole several of the parts of the application have limits, please check the descriptions of each required item to make sure you comply with the page limits.
- **Number of Copies to submit:** Submit 1 original, 3 hardcopies, and 3 CDs with all files included in Microsoft Word or Excel format.
- **Earliest Estimated Start Term:** 7/1/2011
- **Maximum Project Term:** 36 Months

- **Notice about Equipment:** The purchase of equipment (items with a unit cost greater than \$5,000 and a useful life of greater than one year) with Energy Commission funds will require disposition of purchased equipment at the end of the project. Typically, Grant Recipients may continue to utilize equipment purchased with Energy Commission funds as long as the use is consistent with the intent of the original Grant Agreement. *There are no disposition requirements for equipment purchased with match share funding.*
- **Notice about Payment of Funds:** The Budget must reflect estimates for actual costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.
- **Notice of Prohibited Expenditures:** The Budget must NOT include any profit from the proposed project, either as a reimbursed item or as match share. In accordance with the Grant Terms and Conditions, no profit is allowed under grant budget. Please review the Grant Terms and Conditions for additional restrictions and requirements. This does not mean that the Applicant's company may not be profitable, only that such profit must not be part of the budget for this project.
- **Notice of Allowable Expenditures of funds:** All Expenses, both match and Energy Commission share must occur within the approved term of the agreement which begins no earlier than the date of the last signature on the agreement, and ends at the stated end term of the agreement.

## F.2 Pre-Application

All Pre-Applications shall contain the following items:

- a. **Application and Project Information Form** (Exhibit F). This form must contain the Applicant's legal name and mailing address; the names, e-mail addresses, and telephone numbers of the project manager, the budget officer, and the point-of-contact for communicating with the Commission Project Manager; and a one paragraph abstract of the project. It must also contain the indicated information regarding funds (both those requested and match share), type of entity applying, estimated start and end dates, and if appropriate, the requested information regarding County of Origin. **For both the Pre-Application and the Final Application the original must have an original signature of the authorized representative of the Applicant.**
- b. **Project Category Selection Form** (Exhibit G).
- c. **Project Budget** (Exhibit B). A budget summary including estimates for personnel services, operating expenses, professional and consultant services, and construction expenses must be included. For the Pre-Application, fill out ONLY the PA "Summary" worksheet of Attachment A-3. **For the Final Application, fill out the "Detail" worksheet. Instructions for filling out the worksheets for the Pre-Application and the Final Application are included Attachment A-3.**

- d. **Project Description.** A project narrative describing the project (maximum of 5 pages for the Pre-Application and 10 pages for the Final Application). For the Pre-Application, the content of this section should provide summary information sufficient to allow a knowledgeable reviewer to evaluate whether the project is appropriate for the GRDA program. For the Final Application, it is expected that more detailed information will be provided so that the competitive strengths of the project can be assessed, relative to those of competing projects. This narrative should include the following:
- 1) The purpose or objective of the proposed project.
  - 2) How the proposed project addresses each of the applicable scoring criteria.
  - 3) Related activities undertaken by the Applicant that demonstrate experience, knowledge, preparation for the project, pre-existing circumstances or infrastructure that would be important for the project, or other supporting background information that would help evaluate the likelihood of success if the project were funded.
  - 4) The benefit to the local community.
  - 5) Other funding sources investigated or secured for the project.
  - 6) The anticipated effect of the project on geothermal energy development in the area.
  - 7) The products that will result from the project.
- e. **Work Statement** (see Appendix D). A work statement describing the tasks to be undertaken. Note that specific Administrative Tasks (Tasks 1.1-1.7, see Appendix D) must be included in the budget and task descriptions. Administrative tasks must follow the structure shown in the template. Technical tasks may be written to fit the technical need of the project.
- 1) For the Pre-Application, include the Tables for Glossary and Task List (Appendix D) with a brief description of the Tasks (*use 3 pages or less to describe the Technical Tasks, Tasks 2.0 and higher*). For the Administrative Tasks, Include only the Task Titles.
  - 2) For the Final Application, all three Tables (Glossary, Tasks List and Key Personnel List) must be included, along with a detailed description of each Task (*use a maximum of 10 pages for detailed descriptions of the Technical Tasks*), following the format in Appendix D.
- f. Applicant's adherence to the templates provided will be part of the evaluation under Likelihood of Success in the scoring criteria.

### F.3 Final Application

The Final Application shall contain all of the materials listed above for the Pre-Application, appropriately modified to address the comments of reviewers. *Note that the page limits for Parts d. and e. (above) are increased to 10 pages each for the Final Application, to accommodate more detailed information to allow evaluation of the technical merit of the proposal.* The Final Application should be in near executable form. In addition, the Final Application shall contain the following:

- (a) **Work Schedule.** A work schedule showing personnel requirements for the respective tasks detailed in Part e. (above) and a timeline (Gantt Chart) for completing the project tasks.
- (b) **Product Description.** A description of all products to be submitted to the Energy Commission, listed by task, as outlined in Exhibit A.
- (c) **Product Schedule (See Exhibit A Attachment 1).** A spreadsheet listing each product by task and providing an estimated due date for each.
- (d) **Resolution** (if applicable). A resolution from the local jurisdiction's governing body, authorizing submittal of the Application (Exhibit H).
- (e) **CEQA Compliance and completion of CEQA Compliance Form (Exhibit I).** Evidence of compliance with the California Environmental Quality Act (CEQA), if CEQA applies.
- (f) **Feasibility Study** (if applicable). For resource development projects that will directly result in revenue or energy savings, a feasibility study. The feasibility study shall include:
  - 1) A summary of conclusions.
  - 2) A description of the geothermal project.
  - 3) A discussion of the quality and availability of the geothermal resource based on, but not limited to: published information, water samplings, temperature and other logs, or flow tests.
  - 4) A schematic drawing including, but not limited to: well locations, distribution piping, structures, and end use equipment and controls.
  - 5) A table including, but not limited to: a description of any new equipment, itemized capital costs (in current dollars), annual operating costs for the new geothermal system, and annual energy savings (in current dollars and energy units); and a cash flow analysis table including, but not limited to, year-by-year estimates (in current dollars) of the energy cost of existing

non-geothermal system, the energy cost associated with the proposed geothermal system, operation and maintenance costs associated with the proposed geothermal system, net energy savings, debt service, and net cash flow.

- 6) Applicant's adherence to the templates provided will be part of the evaluation under Likelihood of Success in the scoring criteria.

## **Exhibit A**

### **Scope of Work**

The Scope of Work is posted as a separate Microsoft Word document. Follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.





## **Exhibit A Attachment 1**

### **Product Schedule**

The Product Schedule is posted as a separate Microsoft Excel document. Follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.



## Exhibit A Attachment 2

### Scope of Work Directions

The **Scope of Work** contains the framework to use to complete the **Scope of Work**. The template has instructions in **blue type** within **< >** that are to be deleted as it is filled out. The following are additional instructions for the items in the **Scope of Work**. At the end of these instructions, there are examples of **Technical Tasks** to provide guidance in drafting your own.

#### I. Technical Task List

Insert the Task numbers and Task names for the project. Put an "X" in the CPR column next to the Tasks that contain a Critical Project Review. Add additional rows as necessary.

#### II. Key Name List

List key parties within the agreement as described below. See Terms and Conditions for more information regarding key parties within the agreement.

**Key Personnel** are employees or consultants who are critical to the outcome of the project and are being paid with PIER funds. Key Personnel have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project. Since key personnel can come from various organizations working on the agreement, they should be written as follows to avoid confusion: "John Smith – Acme Company"

**Key Subcontractors** are contractors, subcontractors, or vendors who are critical to the outcome of the project and are being paid with PIER funds. Key Subcontractors have expertise in the project field or experience that is not available from another source. Replacing these individuals may be difficult due to their expertise and may affect the outcome of the project.

**Key Partners** are participants in the Project who are not receiving PIER funds and are not providing Match Funds but are integral to the outcome of the Project. Key Partners may be providing space, testing facilities, demonstration sites or may be a manufacturer or other implementer of the Project results. Individual key employees from the Key Partner organizations are listed under "Key Personnel." "Key Partners" are company names.

#### III. Glossary

Spell out each acronym used in the Scope of Work. Also include definitions of odd or unusual terms. Think about the document from the perspective of someone who does not work in the particular industry or discipline.

#### **IV. Problem Statement**

Describe the problem that this research will address in one to two paragraphs maximum.

Identify and discuss the principal barriers, key unresolved issues, and knowledge gaps that hinder the development and widespread use of the resource or the products of the proposed project in California. Barriers may be grouped under the following categories, or other categories that the Applicant deems appropriate:

- Scientific and technological – such as insufficient scientific understanding of relevant phenomena and processes, inadequate data acquisition technologies, low reliability, low power density, low energy density, lack of detailed engineering designs and design trade-off analyses, inadequate component development, high cost of fabrication techniques, insufficient field testing, or insufficient field demonstrations.
- Market – such as inadequate consumer knowledge or limited system supply and maintenance infrastructure.
- Institutional – such as regulatory hurdles (e.g., atmospheric emission limitations) or lack of adopted standards.
- Environmental – such as H<sub>2</sub>S emissions, excessive noise, or ground water contamination.

Explain why these barriers have not been addressed by the marketplace or by other institutions.

**Explain why the barriers should be addressed at this time. For example, place the proposed work into the context of the spectrum of barriers to widespread deployment and adoption.**

#### **V. Goal of the Agreement**

At the beginning of this section, complete the following sentence. Please be succinct.

The goal of this project is to ... *<Complete the sentence with a brief description of the goal(s) and how the goal(s) will be met. Goals can be technical, economic or social. Please be brief, two to three sentences maximum.>*

#### **VI. Objectives of the Agreement**

The objectives of this project are to ... *<Complete this sentence with the objectives, which are things that will be measurable or knowable at the end of **this** project.>*

If the improvements that your project will make are not amenable to measurement, surrogate performance metrics that can be measured must be given. Describe the

methodology or procedure that will be used at the completion of the project to determine if the performance metrics have been achieved.

List and describe technical or economic objectives, or desired conditions outside the project itself that will result from the success of the project.

#### **VII. Task 1.0 Administration**

The administrative tasks must be included in every agreement and the language does not change. Do NOT change anything in the administrative tasks.

#### **VIII. Technical Tasks (Tasks 2 and up)**

This is the area in the Scope of Work where the technical work to be performed under this Agreement is set forth. The work effort should be divided into a series of logical, discrete and sequential tasks. Each task has the following components:

- Task Name
- The goal of this task is to ...
- The Recipient shall:
- Products

##### **A. The Goal**

The goal of this task is to ... *<Complete the sentence with a brief description of the goal(s). Please be brief, two to three sentences maximum.>*

##### **B. The Recipient shall ...**

List each individual **activity** with a separate bullet if there are more than two individual activities and begin each bullet with a verb to complete the sentence beginning with "The Recipient shall." Organize activities in the order in which they will occur. Use this section to describe the essential elements of the process you will use to complete the project. The contents of each product shall also be described in this section.

##### **For Example:**

##### **The Recipient shall:**

- Prepare the X Test Plan. This plan shall include, but is not limited to ...
- Conduct research in accordance with the X Test Plan.
- Prepare the X Test Results Report. This report shall include, but is not limited to, the following ...

Please note that if a project is for demonstration, or if a project involves testing, one of the tasks should be Test Plan preparation. The Test Plan should include considerations such as the number of hours of operation, the type of monitoring to be preformed, the manner in which data will be validated, analyzed, and reported.

### C. Products:

#### Product(s):

- *<Insert 1st product (name only)>*
- *<Insert 2nd product (name only)>*

Only the names of each product shall appear in the “Products” section. Use exactly the same name to identify a product (report, data set, project plan, etc.) in the activity and in the list of products.

Products incorporate the knowledge and understanding gained by performing the activities, and are submitted to the Energy Commission for review, comment and approval. Products include, but are not limited to, written reports that describe methods, test plans, results of testing, analysis of data, conclusions, and recommendations for future study, workshop agendas and summaries, description and photographs of equipment/product developed, summaries of advisory group meetings, computer software with written instructions for data input and use of the software, if intended for public or Energy Commission use, and production prototypes. The summaries of the Products should be sufficiently detailed to be of use to stakeholders and other researchers. The level of detail should be sufficient for an observer to assess whether the project objectives and goals have been successfully met.

### IX. Examples of Different Types of Technical Products *(These are examples, which you may modify for use in your project. You may create other products as needed, but please adhere to the patterns shown.)*

#### 1. Written Notification

- Provide a Written Notification regarding \_\_\_\_\_, to the Commission Project Manager. *(Give it a unique name based on the content and the project.)* The letter shall include but is not limited to written documentation that the \_\_\_\_\_ is ready for *(testing, viewing, submission for certification, etc.)* and the date such *(testing, viewing, submission for certification, etc.)* shall begin, and shall include photographs.

**Product:** Written Notification regarding \_\_\_\_\_

#### 2. Test Plans

- Prepare the \_\_\_\_\_ Test Plan. *(Give it a unique name, such as the Site A Test Plan. Test plans and testing procedures should be described in detail including factors such as instrumentation, data collection, data analysis, statistical analyses, and performance curves. Test results shall include relationships*

- a description of the process to be tested;
- the rationale for why the tests are required;
- predicted performance based on calculations or other analyses;
- test objectives and technical approach;
- a test matrix showing the number of test conditions and replicated runs;
- a description of the facilities, equipment, instrumentation required to conduct the tests;
- a description of test procedures, including parameters to be controlled and how they will be controlled; parameters to be measured and instrumentation to measure them; calibration procedures to be used; recommended calibration interval; and maintenance of the test log;
- a description of the data analysis procedures;
- a description of quality assurance procedures;
- contingency measures to be considered if the test objectives are not met;
- *<add additional bullets specific to the project as needed>.*

**Product(s):**

- Draft \_\_\_\_\_ Test Plan
- Final \_\_\_\_\_ Test Plan

**3. Interim Reports** *(This applies to all product reports. Examples include task and subtask reports, test reports, data sets, databases and computer model development or application. Monthly reports and the final report are treated separately as shown in the Scope of Work.)*

- Prepare the \_\_\_\_\_ Report *(Give it a unique name, such as the ABC Test Report or 123 Database. If an interim report is based on earlier work in this project, then the titles should relate to each other. After the title insert a description of the product.)* This report shall include, but is not limited to, the following: *(List the elements of the report in separate bullets.)*

For example, if the Interim Report is a Test Report, use the following description:

The Test Report shall include, but is not limited to, the following:

- the Test Plan;
- test results;

- analysis;
- conclusions;
- recommendations;
- photographs as appropriate;
- *<add additional bullets specific to the project as needed>.*

For example, if the Interim Report is a Task or Subtask Report, use the following description:

The Task or Subtask Report shall include, but is not limited to, the following:

- the goal of the task or subtask;
- the description of the approach used;
- list of activities performed;
- description of the results and to what degree the goal was achieved;
- significant issues encountered and how they were addressed;
- a discussion of the implications regarding the success or failure of the results, and the effect on the budget and the overall objectives of the project;
- photographs as appropriate;
- *<add additional bullets specific to the project as needed>.*

**Product(s):**

- Draft \_\_\_\_\_ Test (Task, Database, etc.) Report
- Final \_\_\_\_\_ Test (Task, Database, etc.) Report

#### **4. Bills of Materials or Equipment Lists**

- Prepare a Bill of Materials (or Equipment List) for \_\_\_\_\_ *(Give it a unique name.)*. This document shall include but is not limited to:
  - a description of each item;
  - test protocols and codes applicable to each item;
  - cost estimates or bids for each item.

**Product:** Bill of Materials (or Equipment List) for \_\_\_\_\_

#### **5. Site Selection (optionally, this can be incorporated into a Test Plan)**

- Determine Site Selection Details for the field test site, including but not limited to the following, and obtain Commission Project Manager approval:
- Type of site, i.e., <Sites for Wind Energy Storage Projects>



- Residential
  - Specify type of dwelling: single family, multiple family including number of units, apartment, townhouse, etc.
  - Specify age of dwelling: new home construction, model home, existing home (indicate approximate age)
- Commercial (specify warehouse, retail, office, etc.) <Sites for Wind Energy Storage Projects>
- Number of sites
- Location, i.e., climate zone, area, or city
- Timing of testing (i.e., season or month), length and frequency of testing
- Agreement with site owner, to address issues such as:
  - Details of test, including dates, length of test
  - Site owner input and feedback on test conditions
  - Access to site
  - Insurance and indemnity
  - Contingency if damages are caused by test
  - Equipment installation and removal

Once the site is selected, Recipient shall enter into an agreement with the site owner and make a copy of the agreement available to the Commission Project Manager upon request.

**Product:** Written Notification of Site Selection



## **Exhibit B**

### **Budget**

The Budget is posted as a separate Microsoft Excel document. Follow the format provided. The template can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.



## **Exhibit C**

### **Terms and Conditions**

The Terms and Conditions Document is posted as a separate Adobe Acrobat document. The document can be accessed at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.



## Exhibit D

### Scoring of Applications

Scoring will be based on the extent to which the proposed project addresses each of the scoring criteria in its Project Category listed in Table A.1. Final scores will be the average of the scores awarded by the members of the Technical Advisory Committee. To qualify for possible funding, the average total score must be a minimum of 80 out of 120 possible points.

**TABLE A.1: SCORING CRITERIA**

#### RESOURCE DEVELOPMENT PROJECTS

Criteria	Possible Points
Economic and Employment Benefits	15
Demonstration Value	15
Payback and Cost Effectiveness	15
Resource	15
Likelihood of Success	15
Match Contribution	15
Overriding Issues	30

#### PLANNING PROJECTS

Criteria	Possible Points
Demonstrated Need	15
Stimulation of Geothermal Energy Development	15
Proven Extent of the Resource	15
Implementation	15
Public Involvement	15
Match Contribution	15
Overriding Issues	30

#### MITIGATION PROJECTS

Criteria	Possible Points
Documented Impact	15
Demonstrated Need	15
Availability of Alternatives to Mitigate the Impact	15
Timeliness	15
Likelihood of Success	15
Match Contribution	15
Overriding Issues	30





## **Exhibit E**

### **Prevailing Wage Compliance Qs & As**

#### **1. Is Payment of Prevailing Wage Required?**

Yes. Any Recipient whose project involves “public works” as the term is defined in defined in Chapter 1 of Part 7 of Division 2 of the Labor Code, commencing with Section 1720, must pay prevailing wages in accordance with the law.

#### **2. Does prevailing wage apply to private entities?**

Yes. A private entity must pay prevailing wage under California law if the project involves public works.

#### **3. How do I know if my project involves public works?**

The California Labor Code beginning at section 1720 deals with this issue. Labor Code sections 1720 and 1771 define public works as:

- Construction (includes work performed during the design and preconstruction phases of construction including but not limited to, inspection and land surveying work) or
- Alteration or
- Demolition or
- Installation or
- Repair work or
- Maintenance work

These Labor Code sections can be found online at <http://www.leginfo.ca.gov/calaw.html>

Below are some examples (this list is not exhaustive) of the types of activities that typically lead to finding that a project is a public work:

- cement work such as pouring a cement pad
- site preparation such as grading
- surveying
- electrical work such as wiring
- carpentry work
- limited inspection activities

#### **4. What kind of trades or workers must be paid prevailing wage?**

The California Department of Industrial Relations (DIR) Division of Labor Statistics and Research (DLSR) makes the final determination on which trades and/or workers are covered by prevailing wage laws. DLSR maintains a list of the covered trades/workers that are entitled to prevailing wage for public works commercial construction projects. See [www.dir.ca.gov/dlsr/statistics\\_research.html](http://www.dir.ca.gov/dlsr/statistics_research.html) or call the DLSR Prevailing Wage Hotline (415) 703-4774 for more information about these trades.

Generally, workers such as the following would be covered trades:

- Operating engineer (heavy equipment operator)
- Surveyor
- Carpenter
- Cement Mason
- Electrician
- Laborer

The following types of workers usually would NOT be covered trades entitled to prevailing wage:

- Engineer
- Project superintendent / construction manager / project manager
- Architect
- Planner
- Computer programmer

The above examples are for general information only. If you have questions about whether a worker is in a covered trade requiring payment of prevailing wages, the Applicant should check directly with DIR.

**5. What if I am unsure whether my project involves public works and prevailing wage must be paid? How Should I budget if I am unsure about prevailing wage?**

Applicants are encouraged to determine if the proposed project involves public works as soon as possible. In order to determine if the proposed project is a public work, the Applicant will need to contact the California Department of Industrial Relations (DIR). They can be reached at [(415-703-4774)]. If the Applicant does not know whether the proposed project is a public work and the Applicant has not obtained a determination from DIR that the project is not a public work, the Applicant must budget with the assumption that the project is a public work and comply with the prevailing wage laws, including but not limited to the payment of prevailing wages.

On the budget, please indicate whether the project budget includes amounts for the payment of prevailing wage. The Applicant must indicate “yes” unless the Applicant has received a determination from DIR that the project is not a public work.

If the Applicant does not budget for prevailing wage, and it is later determined that the project involves public works and prevailing wage must be paid, the Applicant may be liable for damages and penalties. The Applicant also cannot later request a higher grant award if it is determined that prevailing wages apply and increase project costs higher than budgeted. The amount requested in the proposal is the maximum that will be paid. Any increased costs for payment of prevailing wage must be paid with match funds. The Energy Commission’s grant award amount does not change or increase if the applicant’s costs increase for any reason.

**6. How do I get assistance in determining whether the project involves public works?**

First, call the DLSR Prevailing Wage Hotline, (415) 703-4774. The Prevailing Wage Hotline can frequently give advice quickly on routine questions. If the Prevailing Wage Hotline is unable to answer your question, the Applicant will need to write to the Director of DIR for a coverage determination on whether the proposed project involves public works. The Applicant should include all the relevant facts and documents related to the project. DIR regulations, Title 8 California Code of Regulations, section 16001(a)(1), provides that any interested party may file a request with the Director of DIR to determine coverage under the prevailing wage laws. The request can be either for a specific project or type of work to be performed that the interested party believes may be subject to or excluded from coverage as public works under the Labor Code. The full text of DIR's regulations can be found at: <http://ccr.oal.ca.gov>, (Title 8, Division 1, Chapter 8, Subchapter 3, Article 2). Send requests for a coverage determination to:

Department of Industrial Relations  
Office of the Director  
455 Golden Gate Avenue  
San Francisco CA 94102

**7. What happens if I make a request to DIR but do not have a decision, or am still unsure whether prevailing wage must be paid, by the time the Energy Commission makes an award at a business meeting, or by the time I execute the grant agreement?**

In this case, the Energy Commission would execute a grant agreement with a budget that assumes prevailing wage is required. If the Recipient, prior to performing the activities in question, then receives a determination from DIR that the project is not a public work, then the Energy Commission can execute an amendment with the Recipient to decrease the budget accordingly. The prevailing wage terms and conditions can also be removed.

**8. What if I submit a proposal to the Energy Commission with a project that I say is not a public work, and the Energy Commission believes that it might be a public work? How would we resolve our differences?**

We would request that you first call the Prevailing Wage Hotline. If you do not receive an answer, we would request that you write a letter to DIR and ask DIR to make the decision. If DIR says the project is a public work, then you will need to pay prevailing wages. If you do not obtain a DIR determination that the project is not a public work requiring the payment of prevailing wage, then you must assume that the project is a public work and comply with the prevailing wage laws, including paying prevailing wages.

**9. If my project is a public work, how do I know what prevailing wages are required in order to prepare a budget?**

If your project is a public work, please submit your budget with the applicable prevailing wage for each trade entitled to prevailing wage as determined by DLSR. For prevailing wage rate

information for commercial projects, see [www.dir.ca.gov/dlsr/statistics\\_research.html](http://www.dir.ca.gov/dlsr/statistics_research.html) or call the Prevailing Wage Hotline (415) 703-4774. If your project involves residential construction, the rates are not listed on DIR's website, and you must call the DLSR Prevailing Wage Hotline.

**10. What do I do if workers will be used who do not fit neatly into one of the categories on the DIR website?**

Contact DLSR and describe the type of trade you anticipate will be required in your project and ask whether there is an existing prevailing wage already set by DLSR.

**11. Does prevailing wage apply to a public entity that performs project work with its own employees?**

No.

**12. If my project is considered a public work, then are there any special requirements?**

Yes. For example, the grantee must make sure that covered workers are paid prevailing wage. There are other requirements, such as keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the Labor Code and the sample terms and conditions, Special Condition regarding Prevailing Wage.

## **Exhibit F**

### **Application and Project Information Form**

The Application and Project Information Form is posted as a separate Microsoft Word document. Follow the format provided. The template can be downloaded at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.



## **Exhibit G**

### **Category Selection Form**

The Category Selection Form is posted as a separate Microsoft Word document. Follow the format provided. The template can be downloaded at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.





## **Exhibit H**

### **Resolution Statement**

The Resolution Statement is posted as a separate Microsoft Word document. Follow the format provided. The template can be downloaded at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.



## **Exhibit I**

### **CEQA Form**

The CEQA Form is posted as a separate Microsoft Word document. Follow the format provided. The template can be downloaded at [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts) as part of this solicitation package.